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Attorneys for Plaintiffs

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

DAVID HOUGH; *et al.*

Plaintiffs,

vs.

RYAN CARROLL; *et al.*

Defendants.

Case No.: 2:24-cv-02886-WLH-SK

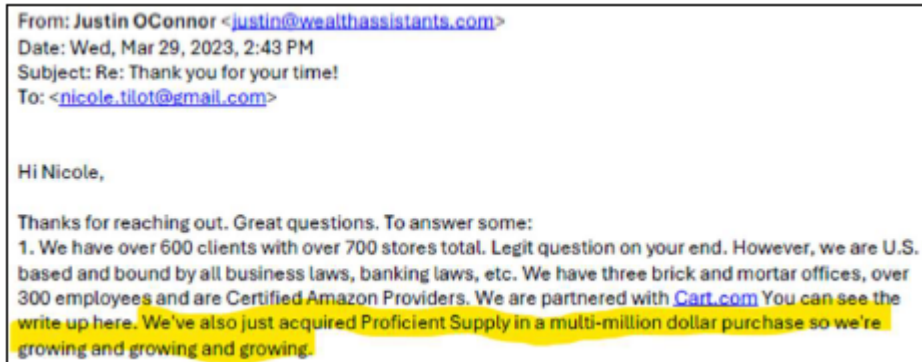
**DECLARATION OF NICO BANKS
SUPPORTING PLAINTIFFS'
OPPOSITION TO
JURISDICTIONAL DEFENDANTS'
MOTION FOR LEAVE TO
RELEASE FUNDS**

**DECLARATION OF NICO BANKS SUPPORTING PLAINTIFFS'
OPPOSITION TO JURISDICTIONAL DEFENDANTS' MOTION FOR
LEAVE TO RELEASE FUNDS**

I, Nico Banks, have personal knowledge of the matters set forth below and if called to testify about them, I would do competently.

1. I am an attorney representing Plaintiffs in this matter.

2. Wealth Assistants LLC's tax returns indicate that it had gross receipts of \$40,084,247 from October 1, 2022 through September 30, 2023. Wealth Assistants LLC's tax returns also indicate that it had gross receipts of \$17,390,470 from October 8, 2021 through September 30, 2022.
3. Jurisdictional Defendants have collectively identified less than \$500,000 of assets similar to cash currently held for their benefit in disclosures to Plaintiffs (setting aside the \$287,950.93 retainer fee held by Lloyd & Mousilli).
4. Defendant Max O. Day has disclosed less than \$5,000 in cash or cash equivalents.
5. In response to a subpoena, Thread Bank identified 22 bank accounts held by Carroll Enterprises LLC, WA Amazon Seller LLC, WA Brand Management LLC, WA Brand Ventures LLC, or WA Distribution LLC. Jurisdictional Defendants identified the bank account numbers for only three of those accounts in its disclosures to Plaintiffs.
6. The image below is a true and correct copy of a screenshot of an email that I received from Nicole Tilot, which forwarded an email that she had received from justin@wealthassistants.com. However, the highlighting is my own.



7. The image below is a true and correct copy of a screenshot of an email that I received from Tahmica McNair, which forwarded an email that she had received from eveleen@wealthassistants.com. However, the highlighting is my own.

1 From: Eveleen Toner <eveleen@wealthassistants.com>
2 Sent: Tuesday, March 14, 2023 3:27 PM
3 To: tmcnair81@hotmail.com <tmcnair81@hotmail.com>
4 Subject: Wealth Assistants- Executive Summaries, Articles and Resources
5
6 Tahmica
7
8 Just dropping a quick hello, I'm back after a few days with the team in Vegas, we had our annual team
9 meeting, and there is also an Amazon conference on this week- There are so many exciting updates,
10 including WA's acquisition of 2 established companies (in areas of Analytics and Distribution) that are
11 going to positively impact our partners store success, along with many other resources including a new
12 detailed website:
13 wealthassistants.com
14
15 Looking forward to working with you.
16
17 Our Newly Acquired **Distribution Company (Proficient Supply LLC)** is Wealth Assistants In-
18 House Product Supply and Distribution Center coming with an established and with a vast catalogue of
19 hundreds of thousands of product lines, of which over 90,000 unique products (SKUs) already vetted by
20 us, and approved as sellable products, which are in stock waiting to be allocated to our Amazon partner
21 stores;
22
23 • <https://www.proficientsupplyllc.com/>

- 24 8. A spreadsheet summarizing wire transfers provided by Wells Fargo shows (1)
25 a payment on May 2, 2023 from the -2209 account at Wells Fargo to Proficient
26 Supply LLC for the amount of \$208,323.33; (2) a payment on March 22, 2023
27 from the -2209 account at Wells Fargo to Proficient Supply LLC for the
28 amount of \$208,000 with a memorandum stating
"1stof12paymentsforassetpurchaseofPROFICIENTSUPPLYLLC"; and (3) a
payment on April 3, 2023 from the -2209 account at Wells Fargo to Proficient
Supply LLC for the amount of \$208,000 with a wire transfer memorandum
stating "2ndmonthlypaymentof12."
9. Wealth Assistants' tax returns (specifically, the page bates stamped JD 348)
shows an asset called "Investment – Proficient Company" that was worth
\$2,500,000 as of October 1, 2023.
10. Documents produced by Choice Bank show that a financial account with an
account number ending in -2840 was held by Proficient Supply LLC. The
transaction records for that account produced by Choice Bank show that
Proficient Supply LLC accepted several ACH transfers using the recipient
name "WA Brand Management LLC." The most recent transaction occurred on
June 10, 2024.
11. Financial records produced by Thread Bank show a Thread Bank account held
by "WA Distribution LLC" with an account number ending in 4085 received
more than \$150,000 in transfers from an account held by "Proficient Supply,"
and a Thread Bank account held by "WA Brand Management LLC" with an

1 account number ending in 1268 received more than \$350,000 in transfers from
2 an account held by “Proficient Suppl” (the account name is missing the “y” on
the end of “Proficient Supply” in Thread Bank’s records).

3 12. Financial records produced by Thread Bank show that wire transfers from a
4 Wealth Assistants account at Thread Bank (with an account number ending in
5 1232) to an account called “Wealth Assistants Virtual Assistance Services” at
6 Union Bank of the Philippines (with an account number ending in 7656)
exceeded \$55,000.

7 13. Financial records produced by various banks show various wire transfers from
8 Jurisdictional Defendants’ accounts to various bank accounts at Union Bank of
the Philippines, which wire transfers total hundreds of thousands of dollars.

9 14. Financial records produced by Thread Bank and Wells Fargo show that the
10 following transactions took place:

- 11 a. On October 11, 2023, an account at Thread Bank held by WA
12 Distribution, with an account number ending in -4085, made a payment
13 of \$26,818.28 to Lloyd Mousilli. The transaction reduced the balance in
the transferring bank account to \$0.
- 14 b. On October 11, 2023, an account at Thread Bank held by WA
15 Distribution, with an account number ending in -9257, made a payment
16 to Lloyd Mousilli of \$6,696.96. The transaction reduced the balance in
the transferring bank account to \$0.
- 17 c. On October 11, 2023, an account at Thread Bank held by WA
18 Distribution, with an account number ending in -0635, made a payment
of \$73,409.70 to Lloyd Mousilli. The transaction reduced the balance in
19 the transferring bank account to \$0.
- 20 d. On October 11, 2023, an account at Thread Bank held by WA Brand
21 Management with an account number ending in -1052, made a payment
of \$134.78 to Lloyd Mousilli. The transaction reduced the balance in the
transferring bank account to \$0.
- 22 e. On October 11, 2023, an account at Thread Bank held by WA
23 Distribution, with an account number ending in -1268, made a payment
of \$13,865.57 to Lloyd Mousilli. The transaction reduced the balance in
the transferring bank account to \$0.
- 24 f. On October 13, 2023, an account at Thread Bank held by WA
25 Distribution, with an account number ending in -1052, made a payment
of \$8,252.17 to Lloyd Mousilli. The transaction reduced the balance in
26 the transferring bank account to \$0.
- 27 g. On October 13, 2023, an account at Wells Fargo held by “Precision
28 Trading Group LLC DBA Wealth Assistants LLC,” with an account
number ending in -2209, wired Lloyd Mousilli \$630,000 in a transaction

1 with wire memorandum stating “WA client fund set up fee funds.” The
2 transaction reduced the balance in the transferring bank account to less
3 than \$5,000.

4 15.Exhibit A is a true and correct copy of an email exchange between myself, on
5 the one hand, and William Shibley and Joseph Ashby (counsel for
6 Jurisdictional Defendants) on the other hand.

7 16.Exhibit B is a true and correct copy of a letter that I emailed to William Shibley
8 on July 27, 2024. The letter includes an invoice of the attorneys’ fees Plaintiffs
9 incurred in connection with their motion for sanctions.

10 17.Exhibit C is a true and correct copy of a motion to withdraw that Lloyd &
11 Mousilli filed on October 21, 2024 in the arbitration captioned “Individual
12 Claimants v. Yax Ecommerce.”

13 18.Exhibit D is a true and correct copy of a series of emails I exchanged with
14 American Arbitration Association’s representative Tacy Zysk.

15 19.Exhibit E is a true and correct copy of an email I sent to Elizabeth Revere on
16 9/25/2024.

17 20.When Ms. Revere and I conferred via videoconference regarding Jurisdictional
18 Defendants’ proposed motion to unfreeze funds, we discussed my proposal to
19 file a joint motion to stay claims brought by individuals who would be
20 members of the putative class in this matter. Ms. Revere stated that
21 Jurisdictional Defendants would be unwilling to agree to that proposal because
22 Jurisdictional Defendants did not want to interfere with the rights of Wealth
23 Assistants’ former clients to bring individual claims. On the same call, I also
24 asked Ms. Revere to specify how much money Wealth Assistants was
25 requesting to spend on attorneys’ fees in related matters. Ms. Revere declined
26 to specify an amount. I did not know about Jurisdictional Defendants’ request
27 to be separately represented—or Jurisdictional Defendants’ request to pay their
28 attorneys’ accounts payable—until I received Jurisdictional Defendants’
motion for leave to release funds.

21 21.Eric Miller, counsel for claimants in an arbitration captioned Sanner v. Yax
22 Ecommerce, forwarded me an email from Nancy Castorena (a Litigation
23 Paralegal at Lloyd Mousilli) dated August 2, 2024 referencing Yax
24 Ecommerce’s motion to stay that arbitration.

25 22.I received a letter from Lloyd Mousilli on April 24, 2024, stating that a sum of
26 \$287,950.93 in the Lloyd & Mousilli, PLLC LM IOLTA bank account
27 “reflects the balance attributable to funds received from or on behalf of the
28 Jurisdictional Defendants.”

26 I declare under penalty of perjury that the foregoing is true and correct.

27 Dated: 11/19/2024

28 /s/Nico Banks